

Remarks at American Cord & Webbing Co., Inc., in Woonsocket, Rhode Island

October 25, 2010

Thanks so much. Please, everybody have a seat. It is just wonderful to be at American Cord and Webbing. And thank you. I just saw all the great work that's being done here. I want to acknowledge a few friends here in the first row. First of all, your outstanding senior Senator, Jack Reed; we're so proud of him. And your equally outstanding junior Senator, Sheldon Whitehouse, is here; we got my dear friend Congressman Patrick Kennedy. And I want to just say, right now Providence Mayor Dave Cicilline—soon could have another job. Congressman Jim Langevin is just a great friend and an inspiration to all of us. We've got Woonsocket mayor, Leo Fontaine is here. Where's Mr. Mayor? There he is, right there. And of course, somebody all of you know, Mark Krauss. Where's Mark? *[Applause]* And Ray Velino, right here. *[Applause]* Hey! You guys are pretty popular. *[Laughter]* That's nice.

It is great to be here in Rhode Island, and it is great to be here at American Cord and Webbing. I just had a chance to take a quick tour and see the outstanding work that so many of the workers are doing here. These guys make webbing, cords, buckles, plastic and metal hardware for sporting goods, outdoor goods, travel gear. They are also making customized leashes for Bo—*[Laughter]*—that I am very proud of, and it is clear that they take enormous pride in what they do.

This is a third-generation company, and Mark was telling me how it got started with his grandfather and—1917? And it's just a testament to American ingenuity and American entrepreneurship. And now he's got four beautiful kids, along with his lovely wife. And one of them or two of them may end up continuing the business once Mark decides he's ready to retire. But that looks like a long ways off. *[Laughter]* He looks pretty young and pretty fit.

Like most small businesses, American Cord and Webbing has gone through some tough times in the past few years. Early in 2009, they lost customers and had to lay off some workers. But they buckled down—that was a pun. *[Laughter]* You got that? You catch that one? And they invested in new products and pursued new customers. And over the past year, they've hired back all the workers they had to lay off. And today business is going well. In fact—*[applause]*.

So this year, Mark expects to turn a profit. He's going to invest in new machinery and new equipment. And just last month, this company was approved for an SBA loan that's going to help them expand this facility by nearly half, which is going to be very exciting.

Now, this is important, not just for this particular business and these particular workers, but for America. It's small businesses like this one, after all, that are the bricks and blocks, the cord and webbing, if you will, of our economy. But the financial crisis made it very difficult for them to get the loans that they needed to grow.

The recession meant that folks are spending less. And across the country, many small businesses that were once the cornerstones of their communities are now empty storefronts that haunt our Main Streets.

So the bottom line is, when our small businesses don't do well, America doesn't do well. So we all have a stake in helping our small businesses grow and succeed. And because small businesses create two out of every three new jobs in America, our economy depends on it.

And that's why, over the past 20 months, we've done everything we can to boost small businesses like this one. And what's guided us is a simple principle: Government can't guarantee your success, can't guarantee Mark's success—he doesn't expect it to—but government can knock down some of the barriers that stand in the way of small-business success and help create the conditions where small businesses can grow and hire and create new products and prosper.

That's why we've now passed, with the help of these outstanding Members of Congress, 16 different tax cuts for America's small businesses over the last couple years—16 tax cuts over the last couple years.

We've passed tax cuts for hiring back unemployed workers. We've passed tax cuts for investing in new equipment. There are 4 million small businesses right now that are poised to get a tax break of up to 35 percent of the premiums they pay if they are providing health insurance to their employees, and that's a tax break that can free up tens of thousands of dollars to upgrade facilities, buy new equipment, or hire a few new workers.

And last month, after plenty of political obstacles, after months in which thousands of small-business owners across America were waiting for the loans and tax cuts they badly needed to grow their business and hire new employees, I signed into law the Small Business Jobs Act.

Now, that act extended provisions that helped support tens of thousands of new SBA loans under the Recovery Act, and it waived fees on those loans to save owners money on their payments, something that saved this particular company more than \$9,000.

In less than a month since that new law took effect, more than 3,600 small-business owners have already received more than \$1.4 billion worth of new loans, with more to come, and the SBA has already begun offering larger loans for small businesses—small-business owners who need them.

The law also accelerates \$55 billion in new tax cuts for businesses both large and small that make job-creating investments over the next year. It eliminates capital gains taxes on key new investments made in small businesses until the end of this year. It dramatically increases the amount small businesses can write off on new equipment investments, and we want to do more so that you can write it all off. These are tax cuts that can help America—help businesses like American Cord and Webbing that are making new investments right now. And it can help create jobs.

Finally, that—the law that we signed creates new initiatives to increase lending to small businesses. It strengthens State programs that spur private sector lending, and that's a step that will support \$15 billion in new small-business loans across the country. And it sets up a new small-business lending fund that will support Main Street banks that lend to Main Street businesses.

We're doing all this because when times are tough, I believe we should be cutting taxes for small-business owners. We should be cutting taxes for companies that are investing here in Rhode Island and here in the United States of America.

When new loans are hard to come by, I believe we should help free up lending. When some companies are shipping jobs overseas, we should be helping companies like this one: our small businesses, our manufacturers, our clean energy companies. I think those are pretty commonsense values that we can all agree on.

Now, I will confess, I wish that Republican leaders in Congress had agreed earlier. They voted against these ideas again and again. They talk a good game about tax cuts and giving entrepreneurs the freedom to succeed, when, in fact, they also ended up voting against tax cuts for the middle class; they voted against tax breaks for companies creating jobs here in the United States.

Now, when you vote against small-business tax relief and you hold up a small-business jobs bill for months, that doesn't do anything to support small businesses like this one. It doesn't do anything to support the outstanding workers at this company. It's just playing politics. If you're going to talk a big game, then you need to deliver.

So I hope that my friends on the other side of the aisle are going to change their minds going forward, because putting the American people back to work, boosting our small businesses, rebuilding the economic security of the middle class, these are big national challenges. And we've all got a stake in solving them. And it's not going to be enough just to play politics. You can't just focus on the next election, you've got to focus on the next generation.

That's how Mark's company has succeeded, by focusing on the next generation. And that's how we have to think about our work in Washington.

So let me just again congratulate the company for doing the great work that you're doing. Thank you for your hospitality. I know it's always a big fuss when I show up. *[Laughter]*

And to all of you here in Rhode Island and all across the country, when I tour plants like this, it makes me optimistic. We've got big problems, and it's going to take some time to solve them. It took us a long time to get into this economic hole that we've been in.

And the recession that we inherited was so deep that it's going to take some time to get out. But we are going to get out. And I'm absolutely convinced that there are brighter days ahead for America, an America where businesses like this one aren't just thriving, but are powering our economic growth, where workers like the ones who are here are rewarded for the work that you do, where our middle class is growing, where opportunity is shared by all our people and the American Dream is back within the reach of those who are willing to work for it.

So that's what we're working for. That's the guiding principle behind all of my administration's activities, is how do we make sure that the economy is growing and that the middle class is growing, because that's the beating heart of this economy. What you do here is a great example of what we've got to be able to do all across this country.

We're proud of you, and I thank you so much for letting us join you here today and seeing the wonderful success that you've been able to accomplish.

Thank you very much, everybody. Thank you.

NOTE: The President spoke at 4:53 p.m. In his remarks, he referred to Mark J. Krauss, president, and Raymond J. Velino, general manager, American Cord & Webbing Co., Inc.; and

Helene Krauss, wife of Mark J. Krauss, and their children Bari, Sloane, Jordan, and Alex Krauss.

Categories: Addresses and Remarks : American Cord & Webbing Co., Inc., in Woonsocket, RI.

Locations: Woonsocket, RI.

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